## BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

## ASSOCIATION OF AMERICAN PUBLISHERS NOTICE OF ERRATA TO INITIAL BRIEF

The Association of American Publishers hereby provides notice that it is filing errata to its initial brief. The second sentence of the third paragraph on page 23 should reflect that under AAP Witness Siwek's final proposed rate structure for Bound Printed Matter, the passthrough for DBMC mail would be 51.3%. A revised page 23 to AAP's initial brief reflecting this change is attached. This notice has been served upon the Postal Service.

Respectfully submitted,

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across-the-board rates for all BPM mail. See Tr. 13/5314-16. Witness Crum has stated that the discounts were planned prior to any knowledge that there would be significant increases in rates due to alleged cost increases. Tr. 8/3448. Nonetheless, once the Postal Service became aware of the cost increases, it proceeded to seek implementation of the discounts notwithstanding that the deaveraging of BPM rates resulting from introduction of the discounts exacerbated the effect of the already significant rate increase upon mailers who could not use the discounts. See Tr. 13/5316.

In view of these considerations, a phase-in of the discounts is only prudent. Additional experience needs to be gained prior to full introduction of the DSCF and DDU discounts.

Witness Siwek's criticisms of the BPM study and the recognition that the majority of mail matter sent as BPM is no longer catalogs, but books, further support the prudence of delaying full implementation. Tr. 30/14575-86; see also Tr. 9/3595. Delayed implementation of the DSCF and DDU discounts would also mitigate, to some extent, the rate shock that will be experienced by mailers who cannot make use of the discounts as a result of deaveraging and provide additional time to assess whether BPM mailers can actually make use of a full range of discounts.

Witness Siwek's proposed discounts for BPM constitute a fundamentally more sound approach. His proposal would result in a DBMC discount with a 51.3% passthrough. Mail drop-shipped at the DSCF and DDU would be eligible to receive a discount, but such discounts would not exceed that proposed for mail dropped the DBMC. *Id.* Although this would produce somewhat lower passthroughs for DSCF and DDU mail that took advantage of the DBMC discount, such considerations must be balanced against the need to mitigate rate shock for the many mailers who cannot use such discounts and to maintain

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document, by First-Class Mail,

upon the participants in this proceeding

Date: September 20, 2000